

Budget Outline for OIT Center for Health Professions

	2005-07	2007-09 (on-going)
Program coordinator w/OPE	\$ 95,000	\$ 95,000
FTE for OIT and participating community colleges: Assistant professors/outreach faculty (6)	\$ 720,000	\$ 720,000
Technical assistants w/OPE (3)	\$ 240,000	\$ 240,000
Supplies, services and travel	\$ 100,000	\$ 100,000
One-time capital outlay: computers, software, picture archiving systems, database software, medical equipment including simulations, distance delivery	\$ 1,400,000	
Start-up costs (travel, curriculum development)	\$ 60,000	
 Total	 \$ 2,615,000	 \$ 1,155,000
 Grand Total for Productivity in Nursing Education and OIT Center for Health Professions	 \$ 3,850,000	 \$ 2,134,000

Policy Package

Title: Faculty Recruitment and Retention - Compensation Increases – \$32.8 million

Policy Initiatives: Academic Excellence and Economic Development

Faculty recruitment and retention is critical to supporting two of the Governor's highest priorities: 1) preserving and enhancing Academic Excellence in the University System and, 2) promoting Economic Development through research. Oregon competes nationally for talented teaching and research faculty, and OUS average faculty compensation ranks at or near the bottom of peer group averages. Oregon must commit to a long-term plan to narrow the gap in faculty compensation with other states and achieve parity with peer institutions.

The following table, compiled by the Department of Administrative Services, compares average faculty salaries in Oregon with salaries at comparable universities nationwide. Oregon salaries range from 5 percent to 24 percent below the national averages.

Oregon Faculty Salaries Compared with National Averages, 2003-04

	Professors*	Associate Professors*	Assistant Professors*
Eastern Oregon University	-24%	-20%	-18%
Oregon Institute of Technology	-15%	-11%	-7%
Oregon State University	-16%	-6%	-5%
Portland State University	-21%	-11%	-13%
Southern Oregon University	-23%	-20%	-10%
University of Oregon	-12%	-10%	-6%
Western Oregon University	-20%	-16%	-19%

* Average Oregon faculty salary compared with average salary of faculty at same rank in comparable universities.
Source: American Association of University Professors, survey of academic salaries, 2003-04.

This policy package request is based on comparisons of total compensation, including salary and benefits, for OUS faculty with peer institutions in 2003-04. The following table compiled by OUS staff shows total compensation at OUS institutions as a percentage of the peer group averages. It also shows the ranking of each institution within the peer groups. Additional detailed comparisons by faculty rank at each institution are attached.

2003-04 OUS Faculty Total Compensation Compared with Peers		
	Percent of Peer Average	Ranking
Oregon State University	93.2%	15 of 19
Portland State University	87.5%	19 of 19
University of Oregon	92.6%	17 of 19
Eastern Oregon University	87.4%	13 of 13
Southern Oregon University	94.0%	10 of 13
Western Oregon University	96.2%	7 of 13
Oregon Institute of Technology	97.3%	5 of 12

Description:

The Faculty Recruitment and Retention package would bring OUS faculty to the average compensation levels of their peers over a six-year period, phasing in salary increases from 2005-07 through 2010-11. To meet the target, faculty compensation would have to increase by 2.2 percent annually in addition to normal cost of living increases.

The estimates for compensation increases were developed using the OUS *Faculty Compensation Goal Setting Model*, which analyzes the gap in compensation with peers

at each institution and calculates the additional amounts needed to bring OUS faculty to the peer average. Staff also surveyed differences in cost of living among large OUS institutions and their peers and found that, in general, the cost of living was slightly higher in Portland, Corvallis, and Eugene than the average costs in the cities of peer institutions.

Expected Outcomes:

- Increased ability to attract and retain top faculty
- Increases in grants and research dollars generated by faculty

Performance Indicators:

- Quality – Excellent Faculty: Average faculty compensation as a proportion of average faculty compensation at benchmarking institutions.
- Quality – R & D: Average R & D spending per faculty compared with average salary per faculty at doctoral-granting institutions

Budget Outline: Faculty Salary and OPE Costs

2005-06 \$ 10,800,000

2006-07 \$ 22,000,000

2005-2007 Request \$32,800,000 General Fund

Future Increases:

2007-08 \$33,200,000 2009-10 \$55,500,000

2008-09 \$44,400,000 2010-11 \$66,700,000

2003-04 Average Faculty Total Compensation at Peer Universities
Weighted Distribution of Faculty by Rank*
(Dollars in thousands)

	Institution	State	Prof	Assoc	Asst	Instr	All Ranks
1	Oregon State University	OR	105.1	85.2	74.5	54.3	87.4
2	Portland State University	OR	99.4	80.7	68.1	53.0	82.1
3	University of Oregon	OR	109.7	80.7	72.0	53.2	86.9
4	University of Arizona	AZ	113.3	81.4	72.4	-	88.3
5	University of California Santa Barbara	CA	141.5	91.3	78.2	-	102.8
6	University of California Davis	CA	136.0	91.3	78.5	-	101.0
7	University of Colorado Boulder	CO	118.7	87.3	75.2	55.0	93.0
8	University of Iowa	IA	125.5	86.6	77.4	-	95.6
9	Iowa State University	IA	115.1	88.4	74.9	50.5	91.8
10	University of Illinois Chicago	IL	122.4	89.4	77.5	61.6	96.0
11	Indiana University Bloomington	IN	126.5	89.0	76.4	-	96.4
12	Purdue University Main Campus	IN	125.7	90.8	79.7	49.4	97.6
13	Indiana U/Purdue U at Indianapolis	IN	108.6	86.3	71.0	53.3	87.9
14	University of N. Carolina Chapel Hill	NC	126.4	90.4	76.2	80.0	98.2
15	North Carolina State	NC	109.2	82.4	73.7	67.2	88.4
16	SUNY Buffalo	NY	132.7	93.8	77.0	48.8	100.1
17	University of Memphis	TN	105.1	79.1	70.0	48.6	83.9
18	University of Washington	WA	113.8	82.4	76.1	53.3	90.0
19	University of Wisconsin Milwaukee	WI	105.8	83.9	74.5	52.2	87.2
	Weighted Average (without OUS universities)		120.7	87.1	75.9	54.2	93.8
	Oregon State University % of average		87.1%	97.8%	98.2%	100.3%	93.2%
	Portland State University % of average		82.4%	92.6%	89.8%	97.9%	87.5%
	University of Oregon % of average		90.9%	92.6%	94.9%	98.2%	92.6%

Source: American Association of University Professors, ACADEME: The Annual Report on the Economic Status of the Profession, 2003-04. March/April 2004.

* Faculty distribution for each university is standardized to 35% professors, 30% associate professors, 30% assistant professors, and 5% instructors

2003-04 Average Faculty Total Compensation at Peer Universities						
Weighted Distribution of Faculty by Rank*						
(Dollars in thousands)						
Institution	State	Prof	Assoc	Asst	Instr	All Ranks
1 Eastern Oregon University	OR	71.4	63.8	54.7	44.9	62.8
2 Southern Oregon University	OR	79.4	66.0	58.5	48.1	67.5
3 Western Oregon University	OR	81.0	69.0	58.5	50.4	69.1
4 California State Univ Stanislaus	CA	102.6	81.5	64.1	-	82.0
5 Fort Hays State University	KS	79.0	62.7	54.7	47.6	65.3
6 University of Michigan Flint	MI	90.0	77.8	66.5	-	77.2
7 Southeast Missouri State University	MO	83.0	67.2	57.9	47.5	69.0
8 Plymouth State University	NH	90.2	74.9	61.4	-	74.8
9 SUNY College at Fredonia	NY	92.5	73.0	58.6	39.8	73.8
10 Southern Utah University	UT	80.4	69.4	57.7	56.1	69.1
11 Mary Washington College	VA	90.9	69.2	53.5	-	71.0
12 Eastern Washington University	WA	79.1	65.5	58.8	-	67.4
13 University of Wisconsin Parkside	WI	88.8	76.9	65.7	-	76.2
Weighted Average (without OUS universities)		87.0	70.8	59.3	47.5	71.9
Eastern Oregon University % of average		82.1%	90.1%	92.2%	94.4%	87.4%
Southern Oregon University % of average		91.3%	93.2%	98.6%	101.2%	94.0%
Western Oregon University % of average		93.2%	97.4%	98.6%	106.0%	96.2%

2003-04 Average Faculty Total Compensation at Peer Universities on OIT List						
(Dollars in thousands)						
Institution	State	Prof	Assoc	Asst	Instr	All Ranks*
1 Oregon Institute of Technology	OR	79.6	70.1	62.2	58.2	70.5
2 California State Polytechnic Pomona	CA	107.5	86.0	71.7	-	87.4
3 Colorado State University Pueblo	CO	71.5	57.6	56.5	29.0	60.7
4 Southern Polytechnic State University	GA	86.5	75.2	62.0	53.8	74.1
5 Purdue University North Central	IN	92.0	72.7	58.4	49.3	74.0
6 Pittsburg State University	KS	81.6	68.8	56.9	47.2	68.6
7 Western Carolina University	NC	82.5	69.0	60.3	-	70.1
8 SUNY College of Technology at Alfred	NY	82.0	65.5	54.7	47.2	67.1
9 East Tennessee State University	TN	81.9	68.8	59.3	45.4	69.4
10 University of Houston Downtown	TX	85.3	71.3	61.3	63.0	72.8
11 Weber State University	UT	82.5	66.6	59.4	51.4	69.2
12 West Virginia University Instit of Tech	WV	67.9	56.5	47.8	35.3	56.8
Weighted Average (without OIT)		86.7	71.2	61.0	48.0	72.4
Oregon Institute of Technology % of average		91.8%	98.4%	102.0%	121.3%	97.3%